

SENATOR CHRONISTER: Mr. President and colleagues, LB 995 is offered as a straightforward solution to a complicated situation which arose recently in Schuyler. The problem is this, if a necessary sequence of events takes place, an employer who hires a laid-off worker to fill a part-time job could possibly have his unemployment experience account charged for the benefits being paid to his part-time worker who was previously laid off by another employer. Here is an explanation of what actually happened and how we discovered this, shall we call it a crack in the law. As you know in December 1982, the Schuyler area was hit hard economically when the Land O'Lakes Packing Plant closed. Some workers who were laid off filed for their unemployment insurance benefits immediately. However, others preferred to live on their savings for awhile before filing. In this particular case, two people who had lived on their savings until their savings were exhausted filed their unemployment insurance claims later. About that time, they secured part-time employment at a restaurant operated by Mr. Kaven in Schuyler. Their part-time wages were low enough that they were still eligible for their unemployment benefits. Because of the complex nature of our unemployment insurance system, the delay between the layoff from Land O'Lakes and their filing of an unemployment insurance claim coupled with the finding of a part-time job in between made it possible for Mr. Kaven, their present employee, to be charged for the benefits they were being paid to his own part-time workers when the benefits should have been continued to be charged to Land O'Lakes, the employer who originally laid off the worker in 1982. When Mr. Kaven discovered that his account was being charged for these benefits, he contacted the Department of Labor. Now to correct this situation simply requires the addition of six words. If you will look on page 5 of the bill, lines 6 and 7, you will see that we have added these words "or during the same base period". I want to assure you that we have worked closely with the Department of Labor on this. Actually, this is their suggestion as to how it should be handled. We are indebted to the Department of Labor for their wholehearted cooperation in this matter. Also, this bill received no opposition in committee and was advanced out of the